

## DEPARTMENT OF TAXATION AND FINANCE

## MEMORANDUM

TO: Mr. Doran

OFFICE

FROM: Mr. Zoota

DATE April 16, 1970

SUBJECT: CONSOLIDATED CIGAR CORP.

Form CT-122 attached to a report filed on Form CT-122 for 1967 indicates a reduction in tax of \$9,851.98. Therefore, your approval and the approval of the Tax Commission are required.

A federal audit for 1967 changed a loss of \$1,633,827.00 to income of \$1,516,737.00. Instead of recomputing the tax based on the adjusted federal net income, the corporation computed an added tax at the rate of 5½% of the federal adjustment of \$3,140,564.00 multiplied by the business allocation percentage. The additional tax based on the federal adjustment was recomputed by us resulting in the reduction indicated.

I recommend your approval of this reduction.

Principal Corporation Tax Examiner

IZ/de

Approved: E. A. Doran  
/s/ Milton Koerner - 4/22/70  
/s/ A. B. Manley - 4/28/70  
/s/ Norman Gallman - 4/29/70(CT-122)